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COTTON IN SOUTHERN AGRICULTURAL ECONOMY

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There are but two real necessities to human civilization, the first is something to eat, and the second, clothing. Wherever the temperate zones girdle the earth the first is satisfied by food supplies of various kinds, but the demands of the second can only be adequately met by the cotton crop annually grown in those states of the American Union lying along the South Atlantic Ocean and the Gulf of Mexico, known as the southern states. By name, they are Virginia, North Carolina, South Carolina, Georgia, Florida, Alabama, Mississippi, Louisiana, Arkansas, Tennessee, Texas, and Oklahoma. Twelve states in all, and within their territory is produced three-fourths of the world's total supply of raw cotton upon which a large majority of the civilized and semi-civilized nations of the earth absolutely depend for clothing. This little spot of territory upon the earth's surface is exceedingly small as compared to the whole, yet its annual yield of raw cotton is vital to the peace, prosperity and comfort of the hundreds of millions of population and of many nations. Possibly not more than two million men are actually engaged each year in the production of the cotton crop of the South, in the states named, and yet the product of their labor is of the most vital import to all the countries of both the Eastern and Western Hemispheres. This is not true of any other great staple commodity of the world, hence it is, that the South can, and does, congratulate itself upon a practical monopoly of one of the two great world's necessities.

The southern states are now, and have always been, largely an agricultural section of the American Union, with the production of the fiber of cotton as the leading monetary source of revenue. The South does now, and has always, depended upon cotton as its financial basis, and the bed rock foundation upon which the material development and progress of its industrial and educational interests rest. The active development of cotton mills in the states of the Carolinas, Georgia and Alabama did not begin to develop on an

extensive scale until 1889 when a half million bales of cotton were consumed in southern mills during that year.

Within the past twenty years the annual consumption of southern mills has increased 500 per cent, the consumption in 1907-8 being in excess of two and a half million bales, and somewhat more than the entire consumption of northern mills. In 1847-8 the entire consumption of southern mills did not exceed 75,000 bales, and the annual consumption of 200,000 bales was not reached until 1879, so that within the past thirty years southern mill takings have increased twelve hundred per cent. If one-half of the same ratio of increase should hold for the next thirty years southern mills would require for consumption in the year 1939 the enormous total of 15,000,000 bales, which is one million bales in excess of the heavy yield of raw cotton produced in 1908 in all the cotton growing states of the South. Within the next quarter of a century manufacturing in the South will doubtless exceed in the aggregate the present importance of agriculture.

The Production of Cotton

The South's total commercial crop in 1843 reached 2,000,000 bales and in 1858-9, or fifteen years later, had doubled to 4,000,000 bales with an average price of six cents per pound in 1843, gradually increasing each year to twelve cents in 1858. In 1865, the production had again fallen back to that of 1843, but crossed the 4,000,000 mark once more in 1870. During the four-year period of the Civil War we have no record of production, but prices for spot cotton advanced in 1864 to \$1.90 per pound, dropping to thirty-five cents one year later, or the fall of 1865, when hostilities had ceased for many months and conditions were getting on a normal basis once more. By 1870 the average price was twenty cents per pound. There was no increase in production from 1870 to 1875; on the contrary there was an annual lessening of the yield as compared with that year, but after 1875 production received a gradual impetus and fifteen years later, or in 1890, the crop had again doubled, the total commercial crop for that year being 8,674,000 bales. The average price for spot cotton of twenty cents per pound in 1870 had gradually declined with varying fluctuations to eleven cents in 1890.

In 1892 the production dropped back to 6,600,000 bales, but

more than doubled this yield in 1904—twelve years later, the crop amounting to 13,654,000 bales. Six cents per pound was the average range of prices for middling cotton during the heavy movement each season in this last twelve-year period, though prices advanced during short periods in the fall of 1903 to thirteen cents and in the early spring of 1904 to seventeen cents per pound. Since 1904 the production of cotton seems to have reached its limit for the time being, the production of 1908 being about the same as in 1904, with a very marked decrease in the yield of 1909, the latter however being due largely to unfavorable climatic conditions and the ravages of the boll weevil in several of the states in the southwestern section of the cotton belt. The cotton acreage for 1908 and also 1909 was practically the same. The average price of spot cotton, basis middling, has been from ten to twelve cents per pound during the past four years, with prices seeking the fifteen cents level in the fall of 1909. It will be noted that since 1843 the crop has doubled in production on an average in each fifteen year period.

Monetary Value of Crop

The largest crop of cotton grown in the South before the close of the nineteenth century was grown in 1898, when a yield of 11,250,000 bales was harvested and marketed at an average price of five cents per pound. The total monetary value of this large crop to the South was only \$280,000,000. In 1905, however, with practically the same yield as in 1898, but with an average price of eleven cents per pound, the gross revenue from the crop that year reached the splendid aggregate of \$600,000,000 or more than double the value of the crop of 1898. In 1906 the yield reached a total of 13,500,000 bales and sold at an average price of ten cents per pound or a grand total of \$675,000,000. These figures represent only the monetary value of the lint cotton and do not include an additional revenue to the farmers, from sixty to seventy million dollars annually, derived from the sale of cotton seed to the oil mills of the South.

For the past few years the aggregate sale of lint cotton and seed each year represents a monetary income to the cotton growers of between seven and eight hundred million of dollars. This is nearly twice the annual output of all the gold mines in the world at the

present time. When converted into the finished products the present annual crops of cotton in the South have a market value of about three billion dollars. The present export of raw cotton from the South is about 8,000,000 bales annually, representing a total income to the United States from this source alone of \$400,000,000. It would require the entire production of the gold mines of the whole world for one year to buy and pay for this crop. It is due entirely to the large annual exports of raw cotton from southern ports to meet the demands of foreign mills that the balance of trade is retained in favor of the United States in our dealings with foreign nations. These annual exports of raw cotton made in exchange for gold from Great Britain and the continent of Europe represent the great bulwark of safety to the financial institutions of the American nation, hence the production and marketing of the South's great staple crop each year, the enormous wealth it represents and the absolute dependence of foreign nations upon its fiber is a matter in which the whole Union is as vitally interested as are the population and institutions of the twelve states in which the crop is grown.

Cotton Acreage and Yield

Only within the past ten years has the federal government made any determined effort to secure official data regarding the acreage planted in cotton each year. The system is being perfected year by year through the Bureau of Cotton Statistics in the Department of Agriculture at Washington. In 1898 the total cotton acreage in the South was estimated at 22,656,000 acres, and the yield that year as already recorded was 11,250,000 bales, or practically one-half a bale of lint cotton per acre, the heaviest yield per acre ever harvested. Since 1898 the annual increase in acreage has been about 1,000,000 acres, so that in 1909 the estimated acreage was 32,000,000 acres in round figures, there being practically no increase over the acreage planted in 1908.

A matter of great significance, however, is, that with the annual increase in cotton acreage the annual average yield of lint cotton per acre has decreased. Where in 1898 the average yield of lint cotton was two hundred and forty pounds per acre, this yield had dropped to one hundred and eighty-five pounds in 1903, and will hardly average two hundred pounds since that time to the

present. If the yield per acre of 1898 could be maintained the South would now be producing 16,000,000 bales annually on the acreage planted, but with an increase of 10,000,000 acres in 1909 over that planted in 1898, the total yield for the present year will not likely exceed to any material extent at least the crop of 1898. It is quite evident, therefore, from these statistical comparisons that the production of cotton in the future must be based more particularly upon increasing the yield per acre rather than increasing the acreage already under cultivation. This is a matter for the serious consideration of the cotton growers and all those whose interests are more or less vitally connected with the production of cotton. The application of more scientific methods of preparation and fertilization of soils, the use of improved varieties of seed and proper culture of the crop during its period of growth are matters of highest importance in the future production of cotton in this country, if this production is to be properly carried forward from an economic standpoint, and prosperity continue for those most directly engaged in cotton culture.

Cotton Growers Making Progress

It cannot be denied by anyone acquainted with southern agriculture that the cotton growers of the South within the past ten years have not made marked progress in the splendid industry in which they are engaged. With the dawning of the new century, the great army of white farmers in the South, typifying as they do the purest representatives of the Anglo-Saxon race on the American continent, seems to have shaken off the lethargy which appears to have possessed them for the previous quarter of a century. With renewed zeal and that unbroken determination characteristic of their race, they have launched out afresh to recover their lost fortunes and strive for the highest pinnacle of success in their chosen occupation.

Animated with the spirit of organization they have banded together in various agricultural organizations, that by co-operative effort they might advance and develop the business of growing cotton at a profit and protect their mutual interests in the markets of the world. The individual cotton growers are rapidly introducing improved methods in the preparation of their lands, building better homes, pursuing a sensible system of crop diversification, raising

more of the necessary food supplies at home, giving to their children a better and more refined education, pushing forward the demand for better public roads and withal gradually becoming strong and forceful characters in the solution of those problems which stand for advanced civilization in a great nation. The antiquated and primitive methods of the past are fast giving away before the introduction and adoption of modern systems which are more practical and economic.

Thousands of cotton growers in the South are rapidly divorcing their farming operations from the old iniquitous credit system which bound them to supply merchants, and are bank depositors to-day where ten years ago they were borrowers and debtors. While the cotton growers are paving their way to independence and prosperity the hundreds of millions of dollars annually received by the South for the sale of its great cotton crop is finding its way into the various arteries of trade, giving renewed impetus to the financial, commercial, and industrial development of the whole section so bountifully blest through the fiber of the cotton plant.

The primitive methods heretofore employed in the ginning, baling, warehousing and marketing the cotton crop will soon pass away through the rapid introduction of modern gin machinery which will separate the lint from the seed without injury; and through the installation of gin compresses which will bale and prepare the cotton not only in the most satisfactory manner for the spinner but also in the most economic way from the standpoint of tare, density, handling, storage, and transportation. The introduction of these better modern methods of preparing the cotton for market and shipment will subtract from the present high fixed charges for handling the crop a sum not less than \$50,000,000.00 each year and otherwise be of tremendous advantage to the growers, transportation companies, the spinners, and the cotton trade generally.

With decided reforms now working out in the better cultivation of the crop, its more economic handling and the gradual increase in production to meet the ever-increasing demands of consumption, it is conservative to say that before the close of another decade the annual cotton crops of the South will be selling for the enormous sum of one thousand million dollars. What this will mean for the future development of the South in all its varied departments of life is hard to estimate or to prophesy. When we

consider further that cotton is only one of the hundreds of important resources of the South, recognizing as we do its wonderful intrinsic value to the nations of the world and more especially to the South, we cannot but wonder at the coming possibilities of this section of the American Union so signally blest with unrivaled climatic conditions, magnificent agricultural resources, vast fields of timber, coal, iron, and water powers, the most of which are yet in their infancy so far as development for commercial needs are concerned.

Southern cotton growers and southern lands will meet every requirement of the world's needs for cotton during the coming centuries. Through the proper conservation of the soil the South can, and will, produce when required thirty times the amount of raw cotton now grown within her territory, and receive as an annual income from the natural monopoly it possesses a tribute of billions of dollars from the civilized nations of the world.